



Rhode Island Department of Environmental Management
Office of Water Resources

State Revolving Fund (SRF) Program
Contract Specifications Package

A. Federal

- 1) Equal Employment Opportunity and Affirmative Action (executive order 11246)
 - i) OFCCP fact sheet.
 - ii) Equal Opportunity Clause and the Standard Federal Equal Employment Specifications.
 - iii) Notice of Non-Discrimination in Employment.
- 2) Non-discrimination in employment notice.
- 3) Assurance of compliance with Title VI of the Civil Rights Act of 1964 and Section 13 of the FWPCA Amendments of 1972 (EPA form 4700-1).
- 4) Affirmative steps for soliciting MBE/WBE (40 CFR 31.36(e))

B. State of Rhode Island

- 1) RIGL 37-2.1, Domestic Steel
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- 3) RIGL 37-12.1, Substitution of Security for Retained Earnings of Architects and Engineers.
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- 5) RIGL 37-14.1, Minority Business Enterprise
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NOTE: This package is prepared by DEM as a service of the SRF program. While every attempt at accuracy has been made, these are not certified true copies of these laws. **The responsibility for compliance with all applicable provisions of Federal and State laws and regulations relating to the bidding, award, and performance of contracts is that of the applicant and the bidder.** Certified true and complete copies of any Rhode Island laws and regulations may be obtained from the Office of the Secretary of State.

Employment Standards Administration Office of Federal Contract Compliance Programs

Fact Sheet EXECUTIVE ORDER 11246

EEO and Affirmative Action Guidelines for Federal Contractors Regarding Race, Color, Gender, Religion, and National Origin.

BASIC PROVISIONS

Since 1965, the U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) has been committed to ensuring that Government contractors comply with the equal employment opportunity (EEO) and the affirmative action provisions of their contracts.

OFCCP administers and enforces Executive Order 11246, as amended, which prohibits federal contractors and federally-assisted construction contractors and subcontractors, who do over \$10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, or national origin.

The Executive Order also requires Government contractors to take affirmative action to insure that equal opportunity is provided in all aspects of their employment.

AFFIRMATIVE ACTION REQUIREMENTS

Each Government contractor with 50 or more employees and \$50,000 or more in government contracts is required to develop a written affirmative action program (AAP) for each of its establishments.

A written affirmative action program helps the contractor identify and analyze potential problems in the participation and utilization of women and minorities in the contractor's workforce.

If there are problems, the contractor will specify in its AAP the specific procedures it will follow and the good faith efforts it will make to provide equal employment opportunity.

Expanded efforts in outreach, recruitment, training and other areas are some of the affirmative steps contractors can take to help members of the protected groups compete for jobs on equal footing with other applicants and employees.

Affirmative action is not preferential treatment. It does not mean that unqualified persons should be hired or promoted over other people. What affirmative action does mean is that positive steps must be taken to ensure equal employment opportunity for traditionally disadvantaged groups.

ENFORCEMENT AND COMPLIANCE

Compliance Reviews

OFCCP conducts compliance reviews to investigate the employment practices of Government contractors. During a compliance review, a compliance officer examines the contractor's affirmative action program; checks personnel, payroll, and other employment records; interviews employees and company officials; and investigates virtually all aspects of employment in the company.

The investigator also checks to see whether the contractor is making special efforts to achieve equal opportunity through affirmative action. If problems are discovered, OFCCP will recommend corrective action and suggest ways to achieve equal employment opportunity.

Complaint Investigations

Individuals may file complaints if they believe they have been discriminated against by federal contractors or subcontractors. Complaints also may be filed by organizations on behalf of the person or persons affected.

Complaints must be filed within 180 days from the date of the alleged discrimination, although filing time can be extended for a good reason.

If a complaint filed under Executive Order 11246 involves discrimination against only one person, OFCCP will normally refer it to the EEOC. Cases involving groups of people or indicating patterns of discrimination are generally investigated and resolved by OFCCP. Complaints may be filed directly with any of OFCCP's regional or district offices throughout the country, or with OFCCP in Washington, D.C.

Compliance Assistance

To help contractors understand their contractual obligations for EEO and affirmative action, OFCCP provides technical assistance. District office staff offers guidance to contractors on how to develop an affirmative program through company seminars, training programs held in conjunction with industry liaison groups, and one-on-one consultations on affirmative action practices and procedures.

Enforcing Contract Compliance

When a compliance review discloses problems, OFCCP attempts to work with the contractor, often entering into a conciliation agreement. A conciliation agreement may include back pay, job offers, seniority credit, promotions or other forms of relief for victims of discrimination. It may also involve new training programs, special recruitment efforts, or other affirmative action measures.

When conciliation efforts are unsuccessful, OFCCP refers the case to the Office of the Solicitor for enforcement through administrative enforcement proceedings. A contractor cited for violating EEO and affirmative action requirements may have a formal hearing before an administrative law judge.

If conciliation is not reached before or after the hearing, sanctions may be imposed. For example, a contractor could lose its government contracts or subcontracts or be debarred, i.e., declared ineligible for any future government contracts.

Further Information

For more information about contract compliance, filing complaints, or compliance assistance, contact any of OFCCP's regional or district offices. All offices are listed in telephone directories under U.S. Department of Labor, Employment Standards Administration, Office of Federal Contract Compliance Programs.

EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION

Executive Order 11246
(Excerpts from 41 CFR 60 Parts 1 and 4)

41 CFR 60-1.4 - Equal opportunity clause.

(b) Federally assisted construction contracts. Except as otherwise provided, each administering agency shall require the inclusion of the following language as a condition of any grant, contract, loan, insurance, or guarantee involving federally assisted construction which is not exempt from the requirements of the equal opportunity clause:

The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following *equal opportunity clause*:

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
- (3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

(c) Subcontracts. Each nonexempt prime contractor or subcontractor shall include the equal opportunity clause in each of its nonexempt subcontracts.

(d) Incorporation by reference. The equal opportunity clause may be incorporated by reference in all Government contracts and subcontracts, including Government bills of lading, transportation requests, contracts for deposit of Government funds, and contracts for issuing and paying U.S. savings bonds and notes, and such other contracts and subcontracts as the Director may designate.

(e) Incorporation by operation of the order. By operation of the order, the equal opportunity clause shall be considered to be a part of every contract and subcontract required by the order and the regulations in this part to include such a clause whether or not it is physically incorporated in such contracts and whether or not the contract between the agency and the contractor is written.

(f) Adaptation of language. Such necessary changes in language may be made in the equal opportunity clause as shall be appropriate to identify properly the parties and their undertakings.

41 CFR 60-4.3 - Equal opportunity clauses.

(a) The equal opportunity clause published at 41 CFR 60-1.4(a) of this chapter is required to be included in, and is part of, all nonexempt Federal contracts and subcontracts, including construction contracts and subcontracts. The equal opportunity clause published at 41 CFR 60-1.4(b) is required to be included in, and is a part of, all nonexempt federally assisted construction contracts and subcontracts. In addition to the clauses described above, all Federal contracting officers, all applicants and all non-construction contractors, as applicable, shall include the specifications set forth in this section in all Federal and federally assisted construction contracts in excess of \$10,000 to be performed in geographical areas designated by the Director pursuant to 60-4.6 of this part and in construction subcontracts in excess of \$10,000 necessary in whole or in part to the performance of non-construction Federal contracts and subcontracts covered under the Executive order.

Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246)

1. As used in these specifications:
 - a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;
 - b. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;
 - c. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.
 - d. "Minority" includes:
 - (i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
 - (ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);
 - (iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
 - (iv) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
2. Whenever the Contractor, or any Subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.
3. If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each Contractor or Subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or Subcontractors toward a goal in an approved Plan does not excuse any covered Contractor's or Subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The Contractor shall implement the specific affirmative action standards provided in paragraphs 7 a through p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered Construction contractors performing construction work in geographical areas where they do not have a Federal or federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The Contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.
5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.
6. In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.
7. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:
 - a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.
 - b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.
 - c. Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefor, along with whatever additional actions the Contractor may have taken.
 - d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.
 - e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources compiled under 7b above.

- f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.
 - g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with onsite supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
 - h. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.
 - i. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
 - j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a Contractor's work force.
 - k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
 - l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.
 - m. Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.
 - n. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
 - o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.
 - p. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.
8. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these Specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance

9. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).
 10. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.
 11. The Contractor shall not enter into any Subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.
 12. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.
 13. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.
 14. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.
 15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).
- (b) The notice set forth in 41 CFR 60-4.2 and the specifications set forth in 41 CFR 60-4.3 replace the New Form for Federal Equal Employment Opportunity Bid Conditions for Federal and Federally Assisted Construction published at 41 FR 32482 and commonly known as the Model Federal EEO Bid Conditions, and the New Form shall not be used after the regulations in 41 CFR Part 60-4 become effective.

[43 FR 49254, Oct. 20, 1978; 43 FR 51401, Nov. 3, 1978, as amended at 45 FR 65978, Oct. 3, 1980]

NOTICE TO LABOR UNIONS OR OTHER ORGANIZATIONS OF WORKERS

NON-DISCRIMINATION IN EMPLOYMENT

TO: _____
(Name of Union or Organization of Workers)

The undersigned currently holds contract(s) with _____
(Name of Applicant)
involving funds or credit of the U.S. Government of (a) subcontract(s) with a prime
contractor holding such contract(s).

You are advised that under the provisions of the above contract(s) or subcontract(s) and in
accordance with Executive Order 11246, dated September 24, 1965, the undersigned is
obliged not to discriminate against any employee or applicant for employment because of
race, age, handicap, veteran status, color, creed, or national origin. This obligation not to
discriminate in employment includes, but is not limited to, the following:

**HIRING, PLACEMENT, UPGRADING, TRANSFER, OR
DEMOTION, RECRUITMENT, ADVERTISING, OR
SOLICITATION FOR EMPLOYMENT TRAINING DURING
EMPLOYMENT, RATES OF PAY OR OTHER FORMS OF
COMPENSATION, SELECTION FOR TRAINING INCLUDING
APPRENTICESHIP, LAYOFF, OR TERMINATION.**

This notice is furnished you pursuant to the provisions of the above contract(s) or
subcontract(s) and Executive Order 11246.

**COPIES OF THIS NOTICE WILL BE POSTED BY THE UNDERSIGNED IN CONSPI-
CUOUS PLACES AVAILABLE TO EMPLOYEES OR APPLICANTS FOR
EMPLOYMENT.**

(Contractor or Subcontractor)

(Date)

{PRIVATE }UNITED STATES{PRIVATE }
ENVIRONMENTAL PROTECTION AGENCY

**ASSURANCE OF COMPLIANCE
FOR
TITLE VI OF THE CIVIL RIGHTS ACT OF 1964
AND
SECTION 13 OF THE FWPCA AMENDMENTS OF 1972**

NAME AND ADDRESS OF APPLICANT/RECIPIENT (<i>Hereinafter called ASSUROR</i>)	GRANT IDENTIFICATION NUMBER (<i>To be completed by EPA</i>)	GRANT AMOUNT REQUESTED \$
TYPE OF GRANT <input type="checkbox"/> DEMONSTRATION <input type="checkbox"/> RESEARCH <input type="checkbox"/> TRAINING <input type="checkbox"/> OTHER (<i>Specify</i>):		
CHECK ONE: <input type="checkbox"/> NEW <input type="checkbox"/> CONTINUATION		

HEREBY AGREES THAT IT will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements of the U.S. Environmental Protection Agency (*hereinafter called "EPA"*) issued pursuant to that title, to the end that in accordance with Title VI of that Act, no person in the United States shall, on the ground of race, color, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Assuror receives financial assistance from EPA and hereby gives assurance that it will now and hereafter take all necessary measures to effectuate this agreement.

HEREBY AGREES THAT IT will comply with all applicable requirements of Section 13 of the Federal Water Pollution Control Act Amendments of 1972 (P.L. 92-500) and all requirements of EPA issued pursuant to that section, to the end that in accordance with that section of that Act, no person in the United States shall, on the ground of sex be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity under the said Federal Water Pollution Control Act Amendments for which the Assuror receives assistance from EPA and hereby gives assurance that it will now and hereafter take all necessary measures to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of financial assistance extended to the Assuror by EPA, this Assurance obligates the Assuror, or, in the case of any transfer of such property, any transferee for the period during which the real property or structure is used for a purpose involving the provisions of similar services or benefits. If any personal property is so provided, this Assurance obligates the Assuror for the period during which it retains ownership or possession of the property. In all other cases, this Assurance obligates the Assuror for the period during which the financial assistance is extended to it by EPA.

THE ASSURANCE is given in consideration of and for the purpose of obtained any and all Federal grants, loans, contracts, property discounts or other financial assistance extended after the date hereof to the Assuror by EPA including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The Assuror recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this Assurance and that the United States shall reserve the right to seek judicial enforcement of this Assurance. The Assurance is binding on the Assuror, its successors, transferees, and assignees, and the person or persons whose signature appear below are authorized to sign this Assurance on behalf of the Assuror.

The obligations assumed by the Assuror hereunder are in addition to any obligations which may be imposed to the Assuror by any applicable regulation now outstanding or which may hereafter be adopted by EPA to effectuate any provision or goal of the said Title VI and all applicable requirements of the said Section 13, and no part of this Assurance shall be read so as to in any way detract from or modify any obligation which may be imposed on the Assuror by any such regulation standing alone.

SIGNATURE OF ASSUROR BY PRESIDENT, CHAIRMAN OF BOARD OR COMPARABLE AUTHORIZED OFFICIAL	DATE
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CONTRACTING WITH SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISE

40 CFR 31.36(e)

40 CFR 31.36(e) – Contracting with small and minority firms, women's business enterprise and labor surplus area firms.

(1) The grantee and sub-grantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

(2) Affirmative steps shall include:

- (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (ii) Assuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources;
- (iii) Dividing the total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- (v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and
- (vi) Requiring the prime contractor, if subcontracts are to be let, to take affirmative steps listed in paragraphs (e)(2)(i) through (v) of this section.

TITLE 37

CHAPTER 2.1 DOMESTIC STEEL

Section	
37-12.1-1.	Short Title
37-12.1-2.	Purpose
37-12.1-3.	Purchase of steel and steel products
37-12.1-5.	Definitions

37-2.1-1. Short title.

This chapter shall be known and may be cited as the "Steel Products Procurement Act".

37-2.1-2. Purpose.

- (a) This chapter shall be deemed to be an exercise of the police powers of the state for the protection of the health, safety, and general welfare of the people of the state.
- (b) It is hereby determined by the general assembly of Rhode Island and declared as a matter of legislative findings that:
- (1) The United States is one of the leading countries in the production and use of steel and its allied products;
 - (2) The use of steel products constitutes a major industry of the United States and, as such, provides the jobs and family incomes of millions of persons in the United States;
 - (3) The taxes paid to Rhode Island and the United States by employers and employees engaged in the production and sale of steel products are one of the largest single sources of public revenues in this country;
 - (4) It has, for many years, been the policy of the state to aid and support the development and expansion of industry in the United States in order to foster the economic well-being of the state and its people; and
 - (5) The economy, general welfare, and national security of the United States, are inseparably related to the preservation and development of the steel industry in the United States.
- (c) The general assembly therefore declares it to be the policy of the state that all public officers and agencies should, at all times, aid and promote the development of the steel industry of the United States in order to stimulate and improve the economic well-being of the state and its people.

37-2.1-3. Purchase of steel and steel products.

- (a) Every public agency shall require that every contract document for the construction, reconstruction, alteration, repair, improvement, or maintenance of public works contain a provision that, if any steel products are to be used or supplied in the performance of the contract, only steel products as herein defined shall be used or supplied in the performance of the contract or any subcontracts thereunder.
- (b) This section shall not apply in any case where the head of the public agency, in writing, determines that steel products as herein defined are not produced in, or readily available in the United States or that such steel products shall not exceed fifteen percent (15%) of the costs of any other steel products obtainable nationally or internationally.

37-2.1-4. Payment.

No public agency shall authorize, provide for, or make any payments to any person under any contract containing the provision required by 37-2.1-3 unless the public agency is satisfied that such person has fully complied with that provision. Any such payments made to any person by any public agency which should not have been made, as a result of this section, shall be recoverable directly from the contractor or subcontractor who did not comply with 37-2.1-3 by either such public agency or the attorney general upon suit filed in the court of any county.

37-2.1-5. Definitions.

The following words and phrases when used in this chapter shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

- (a) "Person" means natural persons as well as corporations, partnerships, business units, and associations;
- (b) "Public agency" means (1) the state and its departments, boards, commissions and agencies, (2) cities, towns, school districts, and any other governmental unit or district, (3) any and all other public bodies, authorities, officers, agencies, or instrumentalities, whether exercising a governmental or proprietary function;
- (c) "Public works" means steel to construct, frame or reinforce any public structure, building, highway, waterway, street, bridge, transit system, airport, or other betterment, work or improvement, whether of a permanent or temporary nature, and whether for governmental or proprietary use;
- (d) "Steel products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated, or otherwise similarly processed, or processed by a combination of two or more of such operations, from steel made in the United States by the open hearth, basic oxygen, electric furnace, Bessemer, or other steel making process;
- (e) "United States" means the United States of America and includes all territory, continental or insular, subject to the jurisdiction of the United States.

TITLE 37

CHAPTER 12 CONTRACTORS' BONDS

Sections

- 37-12-1. Contractors required to give bond – Terms and conditions.
- 37-12-2. Rights of persons furnishing labor and materials.
- 37-12-3. Remedies of creditors and state – Priority of claims.
- 37-12-4. Intervention by creditor in suit brought by state.
- 37-12-5. Time limitation on creditors' actions.
- 37-12-6. Intervention in suit brought by creditor – Consolidation of suits.
- 37-12-8. Certified copies of documents.
- 37-12-9. Payment into court by surety – Discharge.
- 37-12-10. Retainers relating to contracts for public works or sewer or water main construction.
- 37-12-11. Substitution of securities for retained earnings.

37-12-1. Contractors required to give bond -- Terms and conditions.

Every person (which word for the purposes of this chapter shall include a copartnership, a number of persons engaged in a joint enterprise, or a corporation), before being awarded a contract by the department of transportation or by the department of administration, as the case may be, and every person awarded such a contract as a general contractor or construction or project manager for the construction, improvement, completion, or repair of any public road or portion thereof or of any bridge in which the contract price shall be in excess of five hundred dollars (\$500), or for a contract for the construction, improvement, completion, or repair of any public building, or portion thereof, shall be required to furnish to the respective department a bond of such person to the state, with good and sufficient surety or sureties (hereafter in this chapter referred to as surety), acceptable to the respective department, in a sum not less than fifty percent (50%) and not more than one hundred percent (100%) of the contract price, conditioned that the contractor, principal in the bond, the person's executors, administrators, or successors, shall in all things, well and truly keep and perform the covenants, conditions, and agreements in the contract, and in any alterations thereof made as therein provided, on the person's part to be kept and performed, at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the state, the respective department, and all of its officers, agents, and employees, as therein stipulated, and shall also promptly pay for all such labor performed or furnished and for all such materials and equipment furnished, (which as to equipment shall mean payment of the reasonable rental value, as determined by the respective department, of its use during the period of its use), as shall be used in the carrying on of the work covered by the contract, or shall see that they are promptly paid for, whether or not the labor is directly performed for or furnished to the contractor or is even directly performed upon the work covered by the contract, and whether or not the materials are furnished to the contractor or become component parts of the work, and whether or not the equipment is furnished to the contractor or even directly used upon the work; and the bond shall contain the provisions that it is subject to all such rights and powers of the respective department and such other provisions as are set forth in the contract and the plans, specifications, and proposal incorporated by reference in the contract, and that no extension of the time of performance of the contract or delay in the completion of the work thereunder or any alterations thereof, made as therein provided, shall invalidate the bond or release the liability of the surety thereunder. Provided, however, that for good cause shown, the director of the department of administration may waive the requirements of this section for contracts not in excess of fifty thousand dollars (\$50,000).

37-12-2. Rights of persons furnishing labor and materials.

Every person who shall have performed labor and every person who shall have furnished or supplied labor, material, or equipment in the prosecution of the work provided for in the contract, in respect of which a payment bond is furnished under 37-12-1, and who has not been paid in full therefor before the expiration of a period of ninety (90) days after the day on which the last of the labor was performed or furnished by him or her, or material or equipment furnished or supplied by him or her for a claim is made, shall have the right to sue on the payment bond for the amount, or the balance thereof, unpaid at the time of institution of the suit and to prosecute the action to final execution and judgment for the sum or sums justly due him or her; provided, however, that any person having direct contractual relationship with a subcontractor but no contractual relationship express or implied with the contractor furnishing the payment bond shall have a right of action upon the payment bond upon giving written notice to the contractor within ninety (90) days from the date on which the person furnished or performed the last of the labor, or furnished or supplied the last of the material or equipment for which the claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the labor was furnished or performed or the material or equipment was furnished or supplied. The notice shall be served by mailing the same by certified mail, postage prepaid, in an envelope addressed to the contractor at any place he or she maintains an office or conducts his or her business, or his or her residence.

37-12-3. Remedies of creditors and state - Priority of claims.

The remedy on the bond shall be by a civil action brought in the superior court for the counties of Providence and Bristol, and, in any suit brought on the bond, the rights of the state shall be prior to those of all creditors; the rights of persons who shall have performed labor as aforesaid shall be prior to the rights of all other creditors, and there shall be no priorities among laborers or among other creditors under the bond. The state, either after having recovered a judgment against the contractor on the contract or without having recovered a judgment, may bring a suit on the bond against the contractor and surety on the bond, and may join as parties defendant in the suit any persons claiming to have rights under the bond as creditors; and, if it has not brought such a suit, it may at any time before a final and conclusive decree, intervene and become a party in any suit brought, as hereafter provided in this chapter, by any person claiming to be a creditor under the bond.

37-12-4. Intervention by creditor in suit brought by state.

Any person claiming to be a creditor under the bond may at any time intervene and become a party in any pending suit brought as aforesaid by the state on the bond, and by so intervening may have the rights to the person adjudicated in the suit.

37-12-5. Time limitation on creditors' actions.

No suit instituted under 37-12-2 shall be commenced after the expiration of two (2) years, or under the maximum time limit as contained within any labor or material payment bond required under 37-12-1, whichever period is longer, after the day on which the last of the labor was furnished or performed or material or equipment was furnished or supplied by any person claiming under the section.

37-12-6. Intervention in suit brought by creditor - Consolidation of suits.

When a suit has been so brought on the bond by a person claiming to be a creditor under the bond and is pending, any other person claiming to be a creditor under the bond may intervene and become a party in the first suit thus brought and pending and by so intervening may have the rights of the other person adjudicated in the suit. If two (2) or more of the suits be filed in the court on the same day, the one in which the larger sum shall be claimed shall be regarded as the earlier suit. All suits brought upon the bond as provided in this chapter shall be consolidated together by the court and heard as one suit.

37-12-7. Notice of pendency of suit.

In any suit brought under the provisions of this chapter such personal notice of the pendency of the suit as the court may order shall be given to all such known creditors and persons claiming to be creditors under the bond as shall not have entered their appearances in the suit and, in addition to the notice, notice of the pendency of the suit shall be given by publication in some newspaper published in this state of general circulation in the city or town or every city or town in which the work covered by the contract was carried on, once a week for three (3) successive weeks, in such form as the court may order. The court, however, may dispense with the notices if satisfied that sufficient notices shall have been given in some other suit brought under the provisions of this chapter.

37-12-8. Certified copies of documents.

Any person claiming to be a creditor under the bond and having filed a claim with the respective department, in accordance with the requirements of 37-12-2, shall have the right, at any time when the person could under this chapter file a suit or intervene in a pending suit, to require the respective department to furnish to the person certified copies of the contract, proposal, plans and specifications, and of the bond.

37-12-9. Payment into court by surety - Discharge.

The surety on the bond may pay into the registry of the court, for distribution among those who may be or become entitled thereto under the decree of the court, the penal sum named in the bond less any amount which the surety may have paid to the state in satisfaction of the liability of the surety to the state under the bond, and then shall be entitled to be discharged from all further liability under the bond.

37-12-10. Retainers relating to contracts for public works or sewer or water main construction.

- (a) Upon substantial completion of the work required by a contract with any municipality, or any agency or political subdivision thereof, for the construction, reconstruction, alteration, remodeling, repair, or improvement of sewers and water mains, or any public works project defined in section 37-13-1, the awarding authority may deduct from its payment a retention to secure satisfactory performance of the contractual work not exceeding five percent (5%) of the contract price unless otherwise agreed to by the parties. In the case of periodic payments, the awarding authority may deduct from its payment a retention to secure satisfactory performance of the contractual work not exceeding five percent (5%) of the approved amount of any periodic payment unless otherwise agreed to by the parties.
- (b) The five percent (5%) retained shall be paid to any contractor or subcontractor within ninety (90) days of the date the work is accepted by the awarding authority unless a dispute exists with respect to the work. If payment is not made within ninety (90) days for any reason including a dispute, which if resolved and it is not the fault of the contractor then the ten percent (10%) will not be assessed unless the dispute is resolved to have been the fault of the contractor or subcontractor, interest shall be assessed at the rate of ten percent (10%) per annum on all money which is to be paid to the contractor or subcontractor.
- (c) The five percent (5%) retained shall be paid to any contractor or subcontractor within ninety (90) days of the date his or her work is completed and accepted by the awarding authority. If payment is not made, interest shall be assessed at the rate of ten percent (10%) per annum.
- (d) There shall also be deducted and retained from the contract price an additional sum sufficient to pay the estimated cost of municipal police traffic control on any public works project. Municipalities shall directly pay the officers working traffic details and shall bill and be reimbursed by the withholding authority for which the contract is being performed every thirty (30) days until the project is complete.

(Amended 1996, ch. 378, sec. 1.)

37-12-11. Substitution of securities for retained earnings.

Where any public works contract as defined by 37-13-1 provides for the retention of earned estimates by the state of Rhode Island, the contractor may, from time to time, withdraw the whole or any portion of the amount retained for payments to the contractor pursuant to the terms of the contract, upon depositing with the general treasurer (1) United States treasury bonds, United States treasury notes, United States treasury certificates of indebtedness, or United States treasury bills, or (2) bonds or notes of the state of Rhode Island, or (3) bonds of any political subdivision in the state of Rhode Island. No amount shall be withdrawn in excess of the market value of the securities at the time of deposit or of the par value of the securities, whichever is lower. The general treasurer shall, on a regular basis, collect all interest or income on the obligations so deposited and shall pay the same, when and as collected, to the contractor who deposited the obligations. If the deposit is in the form of coupon bonds, the general treasurer shall deliver each coupon as it matures to the contractor. Any amount deducted by the state, or by any public department or official thereof, pursuant to the terms of the contract, from the retained payments otherwise due the contractor, shall be deducted, first from that portion of the retained payments for which no security has been substituted, then from the proceeds of any deposited security. In the latter case, the contractor shall be entitled to receive interest, coupons, or income only from those securities which remain after the amount has been deducted. The securities so deposited shall be properly endorsed by the contractor in such manner so as to enable the general treasurer to carry out the provisions of this section.

TITLE 37

CHAPTER 12.1 SUBSTITUTION OF SECURITY FOR RETAINED EARNINGS OF ARCHITECTS AND ENGINEERS

Sections

- 37-12.1-1. Definition of Terms.
- 37-12.1-2. Substitution of security for retained earnings by designers.
- 37-12.1-3. Deduction from retained earnings.
- 37-12.1-4. Endorsement on securities.
- 37-12.1-5. Applicability.

37-12.1-1. Definition of terms.

Terms used in this chapter shall be construed as follows:

- (a) "Designers", means any person, firm or corporation duly authorized pursuant to the laws of this state to engage in the practice of architecture and/or engineering within this state.
- (b) "Public works contract" means a contract to perform design or planning services by a designer with the state or any agency or governmental subdivisions thereof.
- (c) "Retained earnings" means any moneys or earned estimates withheld from a designer pursuant to the terms of a public works contract.

37-12.1-2. Substitution of security for retained earnings by designers.

Where any public works contract provides for the holding of retained earnings from a designer, the designer may from time to time withdraw the whole or any portion of the amount retained upon either depositing with the general treasurer:

- (1) United States treasury bonds, United States treasury notes, United States treasury certificates of indebtedness, or United States treasury bills, or
- (2) Bonds or notes of the state of Rhode Island; or
- (3) Bonds of any political subdivision of the state of Rhode Island. With respect to the deposit of securities, the general treasurer shall, on a regular basis, collect all interest or income on the securities so deposited and shall pay the same when and as collected to the designer depositing such securities. If the security is in the form of coupon bonds, the general treasurer shall deliver each coupon as it matures to the designer.

37-12.1-3. Deduction from retained earnings.

In the event that pursuant to the terms of the public works contract it is necessary to deduct any sum from retained earnings, the state or governmental unit or agency thereof shall first apply such deduction against sums not withdrawn and thereafter from the proceeds of the sale of any securities deposited or from the income earned on such securities, whichever is applicable.

37-12.1-4. Endorsement on securities.

All securities deposited with the general treasurer pursuant to this chapter shall be properly endorsed by the designer in such manner as to enable the general treasurer to carry out the provisions of this chapter.

37-12.1-5. Applicability.

This chapter shall apply to all retained earnings held pursuant to any public works contract as of [June 16, 1991].

TITLE 37

CHAPTER 13 LABOR AND PAYMENT OF DEBTS BY CONTRACTORS

Sections

- 37-13-1. "Public Works" defined
- 37-13-2. "Contractor" defined – information required.
- 37-13-3. Contractors subject to provisions – Weekly payment of employees.
- 37-13-4. Provisions applicable to public works contracts – List of Subcontractors.
- 37-13-5. Payment for trucking or materials furnished – Withholding of sums due.
- 37-12-6. Ascertainment of prevailing rate of wages and other payments – Specification of rate in call for bids and in contract.
- 37-13-7. Specification in contract of amount and frequency of payment and wages.
- 37-13-8. Investigation and determination of prevailing wages – Filing of schedule.
- 37-13-9. Statutory provisions included in contracts.
- 37-13-10. Overtime compensation.
- 37-13-11. Posting of prevailing wage rates.
- 37-13-12. Wage records of contractors.
- 37-13-12.1. Obstruction of enforcement.
- 37-13-12.2. Subpoena powers.
- 37-13-12.3. Compelling obedience to subpoenas.
- 37-13-12.4. Penalty for violations.
- 37-13-13. Furnishing payroll record to director of labor.
- 37-13-13.1. Audits of wage records of out of state contractors and subcontractors.
- 37-13-14. Contractor's bond.
- 37-13-14.1. Enforcement – Hearings.
- 37-13-15. Review.
- 37-13-16. Termination of work on failure to pay agreed wages – Completion of work.

37-13-1. "Public works" defined.

"Public works" as used in this chapter shall mean any public work consisting of grading, clearing, demolition, improvement, completion, repair, alteration, or construction of any public road or any bridge, or portion thereof, or any public building or portion thereof, or any heavy construction, or any public works projects of any nature or kind whatsoever.

37-13-2. "Contractor" defined - Information required.

The term "contractor" as used in this chapter shall mean the bidder whose bid has been accepted by an authorized agency or awarding authority as the bidder possessing the skills, ability, and integrity necessary to the faithful performance of the contract or work, and who shall certify that he or she is able to furnish labor that can work in harmony with all other elements of labor employed or to be employed on the contract or work. Essential information in regard to qualifications shall be submitted in such form to the awarding authority and the director of labor as the director of labor shall require. The authorized agency or awarding authority shall reserve the right to reject all bids, if it be in the public interest to do so.

37-13-3. Contractors subject to provisions - Weekly payment of employees.

All contractors, who have been awarded contracts for public works by an awarding agency or authority of the state or of any city, town, committee, or by any person or persons therein, in which state or municipal funds are used and of which the contract price shall be in excess of one thousand dollars (\$1,000) whether payable at the time of the signing of the contract or at a later date, and their subcontractors, on such public works shall pay their employees at weekly intervals and shall comply with the provisions set forth in 37-13-4 - 37-13-14, inclusive, and 37-13-16.

37-13-4. Provisions applicable to public works contracts - Lists of subcontractors.

All public works shall be done by contract, subject to the same provisions of law relating thereto and to the letting thereof, which are applicable to similar contracts of the awarding authority or authorized agency, hereinafter called the "proper authority," in the general location where the work is to be performed and which are not contrary to the provisions of 37-13-1 - 37-13-14, inclusive, and 37-13-16. Each contractor after the award of a contract for public works shall submit to the proper authority a list of his or her subcontractors of any part or all of the work. The list shall be submitted in such manner or form as the proper authority shall uniformly require from contractors in all public works.

37-13-5. Payment for trucking or materials furnished - Withholding of sums due.

A contractor or subcontractor on public works authorized by a proper authority shall pay any obligation or charge for trucking and material which have been furnished for the use of the contractor or subcontractor, in connection with the public works being performed by him or her, within ninety (90) days after the obligation or charge is incurred or the trucking service has been performed or the material has been delivered to the site of the work, whichever is later. When it is brought to the notice of the proper authority in a city or town, or the proper authority in the state having supervision of the contract, that the obligation or charge has not been paid by the contractor or subcontractor, the proper authority may deduct and hold for a period not exceeding sixty (60) days, from sums of money due to the contractor or subcontractor, the equivalent amount of such sums certified by a trucker or material man creditor as due him or her, as provided in this section, and which the proper authority determines is reasonable for trucking performed or materials furnished for the public works.

37-13-6. Ascertainment of prevailing rate of wages and other payments - Specification of rate in call for bids and in contract.

Before awarding any contract for public works to be done, the proper authority shall ascertain from the director of labor the general prevailing rate of the regular, holiday, and overtime wages paid and the general prevailing payments on behalf of employees only, to lawful welfare, pension, vacation, apprentice training, and educational funds (payments to the funds must constitute an ordinary business expense deduction for federal income tax purposes by contractors) in the city, town, village, or other appropriate political subdivision of the state in which the work is to be performed, for each craft, mechanic, teamster, laborer, or type of workman needed to execute the contract for the public works, and shall specify in the call for bids for the contract and in the contract itself the general prevailing rate of the regular, holiday, and overtime wages paid and the payments on behalf of employees only, to the welfare, pension, vacation, apprentice training, and education funds existing in the locality for each craft, mechanic, teamster, laborer, or type of worker needed to execute the contract or work.

37-13-7. Specification in contract of amount and frequency of payment of wages.

- (a) Every call for bids for every contract in excess of one thousand dollars (\$1,000), to which the state of Rhode Island or any political subdivision thereof is party, for construction, alteration, and/or repair, including painting and decorating, of public buildings or public works of the state of Rhode Island or any political subdivision thereof, and which requires or involves the employment of employees, shall contain a provision stating the minimum wages to be paid various types of employees which shall be based upon the wages that will be determined by the director of labor to be prevailing for the corresponding types of employees employed on projects of a character similar to the contract work in the city, town, village, or other appropriate political subdivision of the state of Rhode Island in which the work is to be performed; and every contract shall contain a stipulation that the contractor or his or her subcontractor shall pay all the employees employed directly upon the site of the work, unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates not less than those stated in the call for bids, regardless of any contractual relationships which may be alleged to exist between the contractor or subcontractor and the employees, and that the scale of wages to be paid shall be posted by the contractor in a prominent and easily accessible place at the site of the work; and the further stipulation that there may be withheld from the contractor so much of the accrued payments as may be considered necessary to pay to the employees employed by the contractor, or any subcontractor on the work, the difference between the rates of wages required by the contract to be paid the employees on the work and the rates of wages received by the employees and not refunded to the contractor, subcontractors, or their agents.
- (b) The terms "wages," "scale of wages," "wage rates," "minimum wages," and "prevailing wages" shall include:
- (1) The basic hourly rate of pay; and
 - (2) The amount of:
 - (A) The rate of contribution made by a contractor or subcontractor to a trustee or to a third person pursuant to a fund, plan, or program; and
 - (B) The rate of costs to the contractor or subcontractor which may be reasonably anticipated in providing benefits to employees pursuant to an enforceable commitment to carry out a financially responsible plan or program which was communicated in writing to the employees affected, for medical or hospital care, pensions on retirement or death, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, for unemployment benefits, life insurance, disability and sickness insurance, or accident insurance, for vacation and holiday pay, for defraying costs of apprenticeship or other similar programs, or for other bona fide fringe benefits, but only where the contractor or subcontractor is not required by other federal, state, or local law to provide any of the benefits: provided, that the obligation of a contractor or subcontractor to make payment in accordance with the prevailing wage determinations of the director of labor insofar as this chapter of this title and other acts incorporating this chapter of this title by reference are concerned may be discharged by the making of payments in cash, by the making of contributions of a type referred to in subsection (2)(b), or by the assumption of an enforceable commitment to bear the costs of a plan or program of a type referred to in this subdivision, or any combination thereof, where the aggregate of any payments, contributions, and costs is not less than the rate of pay described in subsection (b)(1) plus the amount referred to in subsection (b)(2).
 - (c) The term "employees," as used in this section, shall include employees of contractors or subcontractors performing jobs on various types of public works including mechanics, apprentices, teamsters, chauffeurs, and laborers engaged in the transportation of gravel or fill to the site of public works or the removal of gravel or fill from the site of public works or the transportation or removal of gravel or fill from one location to another on the site of public works, and the employment of the employees shall be subject to the provisions of subsections (a) and (b).

37-13-8. Investigation and determination of prevailing wages - Filing of schedule.

The director of labor shall investigate and determine the prevailing wages and payments made to or on behalf of employees, as set forth in 37-13-7, paid in the trade or occupation in the city, town, village, or other appropriate political subdivision of the state and keep a schedule on file in his or her office of the customary prevailing rate of wages and payments made to or on behalf of the employees which shall be open to public inspection. In making a determination, the director of labor may adopt and use such appropriate and applicable prevailing wage rate determinations as have been made by the secretary of labor of the United States of America in accordance with the Davis-Bacon Act, as amended [40 U.S.C. 276a].

37-13-9. Statutory provisions included in contracts.

A copy of 37-13-5, 37-13-6, and 37-13-7 shall be inserted in all contracts for public works awarded by the state or any city or town, committee, an authorized agency or awarding authority thereof, or any person or persons in their behalf in which state or municipal funds are used if the contract price be in excess of one thousand dollars (\$1,000).

37-13-10. Overtime compensation.

Labor performed under the provisions of 37-13-1 - 37-13-16, inclusive, during the period of forty (40) hours in any one week and during the period of eight (8) hours in any one day, shall be considered a legal week's work or a legal day's work, as the case may be, and any number of hours of employment in any one week greater than the number of forty (40) hours or in any one day greater than the number of eight (8) hours shall be compensated at the prevailing rate of wages for overtime employment; provided, however, when the director of labor has determined in the investigation provided for in 37-13-7 and 37-13-8 that there is a prevailing practice in a city, town, or other appropriate political subdivision to pay an overtime rate of wages for work of any craft, mechanic, teamster, laborer, or type of worker needed to execute the work other than hours worked in any one week greater than the number of forty (40) or in hours worked in any one day greater than the number of eight (8), then the prevailing practice shall determine the legal workday and the legal workweek in the city or town for the work and the prevailing rate of overtime wages shall be paid for such work in excess of that legal workday or week, as the case may be.

37-13-11. Posting of prevailing wage rates.

Each contractor awarded a contract for public works with a contract price in excess of one thousand dollars (\$1,000), and each subcontractor who performs work on such public works, shall post in conspicuous places on the project, where covered workers are employed, posters which contain the current, prevailing rate of wages and the current, prevailing rate of payments to the funds required to be paid for each craft or type of worker employed to execute the contract as set forth in 37-13-6 and 37-13-7. Posters shall be furnished to contractors and subcontractors by the director of labor, who shall determine the size and context thereof from time to time, at the time a contract is awarded. A contractor or subcontractor who fails to comply with the provisions of this section shall be deemed guilty of a misdemeanor and shall pay to the director of labor one hundred dollars (\$100) for each calendar day of noncompliance as determined by him or her. Contracts set forth in this section shall not be awarded by the state, any city or town or any agency thereof until the director of labor has prepared and delivered the posters to the division of purchases, if the state or any agency thereof is the proper authority, or to the city or town or an agency thereof, if it is the proper authority, and the contractor to whom the contract is to be awarded.

37-13-12. Wage records of contractors.

Each contractor awarded a contract with a contract price in excess of one thousand dollars (\$1,000) for public works, and each subcontractor who performs work on such public works, shall keep an accurate record showing the name, occupation, and actual wages paid to each worker employed by him or her and the payments to all the employee funds specified in sections 37-13-6 and 37-13-7 by him or her in connection with the contract or work. The director and his or her authorized representatives shall have the right to enter any place of employment at all reasonable hours for the purpose of inspecting the wage records and seeing that all provisions of this chapter are complied with.
(Amended 1996, ch. 141, sec. 1.)

37-13-12.1. Obstruction of enforcement.

Any effort of any employer to obstruct the director and his or her authorized representatives in the performance of their duties shall be deemed a violation of this chapter and punishable as such.
(Adopted 1996, ch. 141, sec. 2.)

37-13-12.2. Subpoena powers.

The director and his or her authorized representatives shall have power to administer oaths and examine witnesses under oath, issue subpoenas, subpoenas duces tecum, compel the attendance of witnesses, and the production of papers, books, accounts, records, payrolls, documents, and testimony, and to take depositions and affidavits in any proceeding before the director.
(Adopted 1996, ch. 141, sec. 2.)

37-13-12.3. Compelling obedience to subpoenas.

In case of failure of any person to comply with any subpoena lawfully issued, or subpoena duces tecum, or on the refusal of any witness to testify to any matter regarding which he may be lawfully interrogated, it shall be the duty of the superior court, or any judge thereof, on application by the director, to compel obedience by proceedings in the nature of those for contempt.
(Adopted 1996, ch. 141, sec. 2.)

37-13-12.4. Penalty for violations.

Except as otherwise provided in this chapter, any employer who shall violate, or fail to comply with any of the provisions of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than fifty dollars (\$50.00) nor more than one hundred dollars (\$100) for each separate offense, or by imprisonment for not less than ten (10) nor more than ninety (90) days, or by both such fine and imprisonment. Each day of failure to pay wages due an employee at the time specified in this chapter shall constitute a separate and distinct violation.
(Adopted 1996, ch. 141, sec. 2.)

37-13-13. Furnishing payroll record to director of labor.

Each contractor awarded a contract with a contract price in excess of one thousand dollars (\$1,000) for public works, and each subcontractor who performs work on public works, shall furnish a certified copy of his payroll record of his or her employees employed upon the public works to the director of labor on a weekly basis, for the preceding week. The director of labor may promulgate reasonable rules and regulations to enforce the provisions of this section. A contractor or subcontractor who fails to comply with the provisions of this section shall be deemed guilty of a misdemeanor and shall pay to the director of labor one hundred dollars (\$100) for each calendar day of noncompliance as determined by the director of labor. Any such revenues shall be deposited as general revenues.
(Amended 1995, ch. 370, art. 40, sec. 113.)

37-13-13.1. Audits of wage records of out of state contractors and subcontractors.

Out of state contractors or subcontractors who perform work on public works in this state authorize the director of labor and training to conduct wage and hour audits of their payroll records pursuant to the provisions of chapter 14 of title 28.

37-13-14. Contractor's bond.

- (a) The state or any city, town, agency, or committee therein awarding contracts for public works shall require the contractor awarded a contract with a contract price in excess of five thousand dollars (\$5,000) for public works to file with the proper authority good and sufficient bond with surety furnished by any surety company authorized to do business in the state, conditioned upon the faithful performance of the contract and upon the payment for labor performed and material furnished in connection therewith, such bond to contain the terms and conditions set forth in chapter 12 of this title, and to be subject to the provisions of that chapter.
- (b) Provided, however that for good cause shown in state public works contracts, the director of the department of administration may waive the requirements of this section in regards to materials furnished only for contracts not in excess of fifty thousand dollars (\$50,000).

37-13-14.1. Enforcement - Hearings.

- (a) Before issuing an order or determination, the director of labor and training shall order a hearing thereon at a time and place to be specified, and shall give notice thereof, together with a copy of such complaint or the purpose thereof, or a statement of the facts disclosed upon such investigation, which notice shall be served personally or by mail on any person, firm or corporation affected thereby; such person, firm or corporation shall have an opportunity to be heard in respect to the matters complained of at the time and place specified in such notice, which time shall be not less than five (5) days from the service of the notice personally or by mail. Said hearing shall be held within ten (10) days from the order of hearing. The hearing shall be conducted by the director of labor and training or his or her designee. The hearing officer in such hearing shall be deemed to be acting in a judicial capacity, and shall have the right to issue subpoenas, administer oaths and examine witnesses. The enforcement of a subpoena issued under this section shall be regulated by Rhode Island civil practice law and rules. Such hearing shall be expeditiously conducted and upon such hearing the hearing officer shall determine the issues raised thereon and shall make a determination and enter an order within ten (10) days of the close of the hearing, and forthwith serve a copy of such order, with a notice of the filing thereof, upon the parties to such proceeding, personally or by mail. Such order shall dismiss the charges or direct payment of wages or supplements found to be due, including interest at the rate of twelve percent (12%) per annum from the date of the underpayment to the date of payment, and may direct payment of reasonable attorney's fees and costs to the complaining party.
- (b) In addition to directing payment of wages or supplements including interest found to be due, such order shall also require payment of a further sum as a civil penalty in an amount equal to three times the total amount found to be due. Further, if the amount of salary owed to an employee pursuant to this chapter but not paid to said employee in violation of thereof exceeds five thousand dollars (\$5,000), it shall constitute a misdemeanor and shall be referred to the Office of the attorney general, such misdemeanor shall be punishable for a period of not more than one (1) year in prison and/or fined not more than one thousand dollars (\$1,000). In assessing the amount of the penalty, due consideration shall be given to the size of the employer's business, the good faith of the employer, the gravity of the violation, the history of previous violations and the failure to comply with record keeping or other non-wage requirements. The surety of the person, firm or corporation found to be in violation of the provisions of this chapter shall be bound to pay any penalties assessed on such person, firm or corporation. The penalty shall be paid to the department of labor and training for deposit in the state treasury; provided, however, it is hereby provided that the general treasurer shall establish a dedicated "prevailing wages enforcement fund" for the purpose of depositing the penalties paid as provided herein. There is hereby appropriated to the annual budget of the department of labor and training the amount of the fund collected annually under this section, to be used at the direction of the director of labor and training for the sole purpose of enforcing prevailing wage rates as provided in chapter 13 of this title.
- (c) For the purposes of this chapter, each day or part thereof of violation of any provision of this chapter by a person, firm or corporation, whether such violation is continuous or intermittent, shall constitute a separate and succeeding violation.
- (d) In addition to the above, any person, firm, or corporation found in willful violation of any of the provisions of this chapter by the director of labor and training, an awarding authority, or the hearing officer, shall be ineligible to bid on or be awarded work by an awarding authority or perform any such work for a period of no less than eighteen (18) months and no more than thirty-six (36) months from the date of the order entered by the hearing officer. Once a person, firm or corporation is found to be in violation of this chapter, all pending bids with any awarding authority shall be revoked, and any bid awarded by an awarding authority prior to the commencement of the work shall also be revoked.

- (e) In addition to the above, any person, firm or corporation found to have committed two (2) or more willful violations in any period of eighteen (18) months of any of the provisions of this chapter by the hearing officer, which violations are not arising from the same incident, shall be ineligible to bid on or be awarded work by an awarding authority or perform any such work for a period of sixty (60) months from the date of the second violation.
- (f) The order of the hearing officer shall remain in full force and effect unless stayed by order of the superior court.
- (g) The director of labor and training , awarding authority or hearing officer shall notify the bonding company of any person, firm or corporation suspected of violating any section of this chapter. Such notice shall be mailed certified mail, and shall enumerate the alleged violations being investigated.
- (h) In addition to the above, any person, firm or corporation found to have willfully made a false or fraudulent representation on certified payroll records shall be referred to the office of the attorney general. Such false or fraudulent representation shall be considered a misdemeanor, said misdemeanor shall be punishable for a period of not more than one (1) year in prison and/or fined one thousand dollars (\$1,000). Further, any person, firm or corporation found to have willfully made a false or fraudulent representation on certified payroll records shall be required to pay a civil penalty to the department of labor and training in an amount of no less than two thousand dollars (\$2,000) and not greater than fifteen thousand dollars (\$15,000) per representation.

(Amended 1996, ch.141, sec. 1.)

37-13-15. Review.

- (a) There is hereby created an appeals board which shall be comprised of three (3) members who shall be appointed by the governor; provided, however, that each member of the appeals board shall have at least five (5) years experience with prevailing wage rates as they apply to the construction industry. The members of such appeals board shall serve without compensation. The members of the appeals board shall be appointed for terms of three (3) years except that of the three (3) members originally appointed by each of the appointing authorities; one (1) shall be appointed for a term of one (1) year, one (1) shall be appointed for a term of two (2) years and one (1) for a term of three (3) years.
- (b) Any person aggrieved by any action taken by the director of labor and training or his or her designated hearing officer under the authority of this chapter, or by the failure or refusal of the director of labor and training to take any action authorized by this chapter, may obtain a review thereof for the purpose of obtaining relief from the action or lack of action by filing a petition for administrative review and relief, to the appeals board as provided herein. Such petition for administrative review shall be filed within twenty (20) days of the action taken by the director of labor and training or designated hearing officer: The petition for administrative review shall be heard within ten (10) days of the date of filing. An aggrieved person under this section shall include:
 - (1) Any person who is required to pay wages to his or her employees or make payments to a fund on behalf of his or her employees, as provided in this chapter;
 - (2) Any person who is required to be paid wages for his or her labor or on whose behalf payments are required to be paid to funds, as provided by this chapter;
 - (3) The lawful collective bargaining representative of a person defined in subdivision (2) above;
 - (4) A trade association of which a person defined in subdivision (1) above is a member;
 - (5) A proper authority as defined in this chapter;
 - (6) A contractor who submitted a bid for work to be or which has been awarded under the provisions of this chapter or a trade association of which he or her is a member, and
 - (7) A labor organization which has one or more written collective bargaining agreements with one or more employers or a trade association which sets forth the hours, wages, and working conditions of a craft, mechanic, teamster, or type of worker needed to execute the work, as provided in this chapter to the extent that it would be affected by the action or the failure to act of the director of labor or the hearing officer.

- (c) Any aggrieved person as defined herein may obtain a review of a decision of the appeals board by filing a petition in the superior court in Providence county pursuant to the provisions of the administrative procedures act, praying for review and relief and the petition shall follow the course of and be subject to the procedures for causes filed in the court.
- (d) The director is hereby empowered to enforce his or her decision and/or the decision of the appeals board in the superior court for the county of Providence.
(Amended 1996, ch. 141, sec.1.)

37-13-16. Termination of work on failure to pay agreed wages - Completion of work.

Every contract within the scope of this chapter shall contain the further provision that in the event it is found by the director of labor and training that any employee employed by the contractor or any subcontractor directly on the site of the work covered by the contract has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid as aforesaid, the awarding party may, by written notice to the contractor or subcontractor, terminate his or her right as the case may be, to proceed with the work, or such part of the work as to which there has been a failure to pay the required wages, and shall prosecute the work to completion by contract or otherwise, and the contractor and his or her sureties shall be liable to the awarding party for any excess costs occasioned the awarding authority thereby.

PREVAILING WAGE RATES

(Appropriate wage rate to be inserted by bidder in specifications)

For a copy of the appropriate wage rate, contact:

**R.I. Department of Labor
Division of Labor Standards
610 Manton Avenue
Providence, RI 02909**

TITLE 37

CHAPTER 14.1 MINORITY BUSINESS ENTERPRISE

Sections

37-14.1-1.	Purpose.
37-14.1-2.	Applicability.
37-14.1-3.	Definitions.
37-14.1-4.	Policy.
37-14.1-5.	Discrimination prohibited.
37-14.1-6.	Minority business enterprise guidelines.
37-14.1-7.	Establishment of criteria and guidelines.
37-14.1-8.	Sanctions.

37-14.1-1. Purpose.

The purpose of this chapter is to carry out the state's policy of supporting the fullest possible participation of firms owned and controlled by minorities and women (MBE's), in state funded and state directed public construction programs and projects and in state purchases of goods and services. This includes assisting MBE's throughout the life of contracts in which they participate.

37-14.1-2. Applicability.

This chapter shall apply to any and all state purchasing, including, but not limited to the procurement of goods and services and construction projects or contracts funded in whole or in part by state funds, or funds which, in accordance with a federal grant or otherwise, the state expends or administers or in which the state is a signatory to the construction contract.

37-14.1-3. Definitions.

- (a) "Affirmative action" means taking specific steps to eliminate discrimination and its effects, to ensure nondiscriminatory results and practices in the future, and to involve minority business enterprises fully in contracts and programs funded by the state.
- (b) "Compliance" means the condition existing when a contractor has met and implemented the requirements of this chapter.
- (c) "Contract" means a mutually binding legal relationship or any modification thereof obligating the seller to furnish supplies or services, including construction, and the buyer to pay for them. For purposes of this chapter, a lease is a contract.
- (d) "Contractor" means one who participates, through a contract or subcontract, in any procurement or program covered by this chapter, and includes lessees and material suppliers.
- (e) "Minority" means a person who is a citizen or lawful permanent resident of the United States and who is:
 - (1) Black (a person having origins in any of the black racial groups of Africa);
 - (2) Hispanic (a person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race);
 - (3) Portuguese (a person of Portuguese, Brazilian, or other Portuguese culture or origin, regardless of race);
 - (4) Asian American (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands);
 - (5) American Indian and Alaskan Native (a person having origins in any of the original peoples of North America.); or
 - (6) Members of other groups, or other individuals, found to be economically and socially disadvantaged by the Small Business Administration under section 8(a) of the Small Business Act, as amended [15 U.S.C. 637(a)].

(f) "Minority business enterprise" or "MBE" means a small business concern, as defined pursuant to section 3 of the federal Small Business Act [15 U.S.C. 632] and implementing regulations, which is owned and controlled by one or more minorities or women. For the purposes of this chapter, owned and controlled means a business.

- (1) Which is at least fifty-one percent (51%) owned by one or more minorities or women or, in the case of a publicly owned business, at least fifty-one percent (51%) of the stock of which is owned by one or more minorities or women; and
- (2) Whose management and daily business operations are controlled by one or more such individuals.

(g) "MBE coordinator" means the official designated to have overall responsibility for promotion of minority business enterprise in his or her departmental element.

(h) "Noncompliance" means the condition existing when a recipient or contractor has failed to implement the requirements of this chapter.

37-14.1-4. Policy.

It is the policy of the state of Rhode Island that minority business enterprises (MBE's) shall have the maximum opportunity to participate in the performance of procurements and projects outlined in 37-14.1-2.

37-14.1-5. Discrimination prohibited.

No person shall be excluded from participation in, denied the benefits of, or otherwise discriminated against in connection with the award and performance of any project covered by this chapter, on the grounds of race, color, national origin, or sex.

37-14.1-6. Minority business enterprise participation.

Minority business enterprises shall be included in all procurements and construction projects under this chapter and shall be awarded a minimum of ten percent (10%) of the dollar value of the entire procurement or project. The director of the department of administration is further authorized to establish by rules and regulation formulas for giving minority business enterprises a preference in contract and subcontract awards.

37-14.1-7. Establishment of criteria and guidelines.

The director of the department of administration shall establish, by rule and regulations adopted in accordance with chapter 35 of title 42, standards which shall determine whether a construction project is covered by this chapter, compliance formulas, procedures for implementation, and procedures for enforcement which are not inconsistent with 49 CFR 23 of the federal regulations. As to Rhode Island department of transportation contracts, the director of administration may delegate this authority to the director of transportation.

37-14.1-8. Sanctions.

(a) The director of the department of administration shall have the power to impose sanctions upon contractors not in compliance with this chapter and shall include but not be limited to:

- (1) Suspension of payments;
- (2) Termination of the contract;
- (3) Recovery by the state of ten percent (10%) of the contract award price as liquidated damages; and
- (4) Denial of right to participate in future projects for up to three (3) years.

(b) As to Rhode Island department of transportation contracts, the director of the department of administration may delegate this authority to the director of transportation.

**REGULATIONS GOVERNING PARTICIPATION
BY MINORITY BUSINESS ENTERPRISES IN STATE FUNDED AND
DIRECTED PUBLIC CONSTRUCTION PROJECTS
CONSTRUCTION CONTRACTS AND PROCUREMENT
CONTRACTS FOR GOODS AND SERVICES**

I. GENERAL

1. Purpose

- (a) The purpose of these regulations is to carry out the state's policy of supporting the fullest possible participation of firms owned and controlled by minorities and women (MBEs) in state-funded and directed public construction programs and projects and in state purchases of goods and services. This includes assisting MBEs throughout the life of contracts in which they participate.
- (b) These regulations implement, in part, R.I. Gen. Laws, Chapter 37-14.1. These regulations are effective immediately and supersede all Department of Administration regulations issued previously under these authorities insofar as such regulations affect minority business enterprise matters in the State.

2. Applicability

These regulations apply to any construction project, construction contract or procurement contract for goods and services funded in whole or in part by state funds, or funds which, in accordance with federal grant or otherwise, the state expends or administers or in which the state is a signatory. Quasi-independent state agencies, such as the Rhode Island Public Buildings Authority, the Narragansett Bay Commission and the Rhode Island Port Authority, are subject to the requirements outlined under these regulations. With respect to Department of Transportation contracts, the Director of Transportation may promulgate regulations consistent with R.I. Gen. Laws Sections 37-14.1-8 and 3714.109, thereby exempting Department of Transportation contracts from the requirements of these regulations.

3. Definitions

"building" or "work" means construction activity as distinguished from manufacturing, furnishing of materials, or servicing and maintenance work. The terms include, without limitation, buildings, structures, and improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, powerlines, pumping stations, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals; dredging, shoring, scaffolding, drilling, blasting, excavating, clearing, and landscaping. Unless conducted in connection with and at the site of such a building or work as described in the foregoing sentence, the manufacture or furnishing of materials, articles, supplies, or equipment (whether or not a Federal or State agency acquires title to such materials, articles, supplies, or equipment during the course of the manufacture or furnishing, or owns the materials from which they are manufactured or furnished) is not a "building" or "work" meaning of these regulations.

"Compliance" means the conditions existing when a prime contractor has met and implemented the requirements of these regulations.

"Construction" means all types of on-site work done on a particular building or work, including, without limitation, altering, remodeling, painting and decorating, the transporting of materials and supplies to or from the building or work by the employees of the construction contractor or construction subcontractor, and the manufacturing or furnishing of materials, articles, supplies, or equipment on the site of the building or work, by persons employed at the site by the contractor or subcontractor.

"Construction project" means a contract or group of contracts for construction work that a prime contractor has agreed to perform, whether directly or through the use of subcontractors.

"Contract" means a mutually binding legal relationship or any modification thereof obligating the seller to furnish supplies or services, including construction, and the buyer to pay for them. For purposes of these regulations, a lease is a contract.

"Contractor" means one who participates, through a contract or subcontract, in any program covered by these regulations and includes lessees.

"Director" means the Director of the Department of Administration or any person whom he/she has designated to act for him/her.

"Goods" means materials or supplies of any kind provided by a vendor, his agents or employees.

"Services" means professional or non-professional activities requiring mental or physical labor to be performed by the contractor, vendor, his agents or employees.

"Minority" means a person who is a citizen or lawful permanent resident of the United States and who is:

- (a) Black (a person having origins in any of the black racial groups of Africa);
- (b) Hispanic (a person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race);
- (c) Portuguese (a person of Portuguese, Brazilian or other Portuguese culture or origin, regardless of race);
- (d) Asian American (a person having origins in any of the original peoples of the Far East, South East Asia, the Indian Subcontinent, or the Pacific Islands);
- (e) American Indian and Alaskan Native (a person having origins in any of the original peoples of North America); or
- (f) Members of other groups or other individuals found to be economically and socially disadvantaged by the Small Business Administration under Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637(a)).

"Minority Business Enterprise" or "MBE" means a small business concern as defined pursuant to Section 3 of the Federal Small Business Act and implementing regulations, which is owned and controlled by one (1) or more minorities or women and which has been certified as a Minority Business Enterprise under these regulations by the Rhode Island Department of Economic Development. For the purposes of these regulations, an owned and controlled business means one:

- (a) which is at least 51% owned by one (1) or more minorities or women or, in the case of a publicly owned business, at least fifty-one percent (51%) of the stock of which is owned by one (1) or more minorities or women; and
- (b) whose management and daily business operations are controlled by one (1) or more such individuals.

"MBE Coordinator" means the official designated to have overall responsibility for promotion of minority business enterprises within each department and agency for each contract covered by these regulations. He or she shall be appointed not later than the time the Request for Proposal for each contract is submitted.

"Non-compliance" means the condition existing when a contractor has failed to implement the requirements of these regulations.

"Prime Contractor" means the contractor that is charged with total construction on a contract or group of contracts, portions of which are, or will be subcontracted to third parties.

"Specialty Contractor" means a contractor charged with total construction on a contract or group of contracts, portions of which will not be subcontracted to third parties.

"Vendor" means the party with which the State contracts to provide goods or services.

4. Policy

These regulations shall be construed in accordance with the policy of the State of Rhode Island that minority business enterprises (MBEs) shall have the maximum opportunity to participate in the performance of projects or provision of goods or services outlined hereunder.

5. Construction Contracts

(a) MBE Liaison Officer.

The chief executive officer of each prime contractor shall designate an MBE Liaison Officer who will coordinate with the MBE Coordinator from the Department of Administration or other state department or agency responsible for monitoring the contract.

(b) Ten Percent (10%) Requirement.

- (i) Each Department shall structure its procedures for procuring construction contracts to attempt to achieve the result that a minimum of ten (10%) percent of the total dollar value of these procurements is made directly or indirectly from MBEs. This result shall be achieved through one of the two methods described in paragraphs 5(b)(ii) or 5(b)(iii) below.
- (ii) Prime Contractor Method. Each prime contractor shall ensure that a minimum of ten percent (10%) of the dollar value of work to be performed on a construction project will be performed by MBEs. The prime contractor must meet or exceed this requirement or demonstrate that it could not meet this requirement despite its good-faith efforts. A prime contractor that is an MBE will satisfy the ten percent (10%) requirement by ensuring that at least ten percent (10%) of the dollar volume of work performed under the contract is performed by its employees.
- (iii) Construction contracts not involving the use of prime contractors. In lieu of using the prime contractor method described in paragraph 5(b)(ii) above, a Department may meet the ten percent (10%) requirement under these regulations by ensuring that ten percent (10%) of the dollar value of construction contracts in the aggregate for each fiscal year is awarded to MBEs. MBEs may be solicited directly to accomplish this requirement.
- (iv) The ten percent (10%) requirements set forth under these regulations can be satisfied concurrently with similar requirements mandated under federal law.
- (v) Nothing in these regulations shall be construed to require the award of a contract to an MBE whose bid exceeds the lowest bid by five percent (5%). Nothing in these Regulations shall be construed to require the acceptance of non-conforming goods or services.

(c) Solicitation of Bids.

- (i) All departments and agencies soliciting requests for proposal for construction projects identified as having subcontracting opportunities must include in the advertisements for the project the following language: "This project is subject to Chapter 37-14-1 of the Rhode Island General Laws, and regulations promulgated thereunder, which require that ten percent of the dollar value of work performed on the project be performed by minority business enterprises."
- (ii) MBE Compliance Plan A prospective prime contractor shall include in its bid on any construction project covered by these regulations, a simple statement acknowledging its obligation to meet the ten percent (10%) requirement under these regulations. After it has been identified as the apparent low bidder, the prime contractor shall, within ten (10) working days, prepare an MBE Compliance Plan and submit it to the Director or his designee for approval. The Plan shall identify by MBE name, subcontract dollar amount and type, each subcontract that the prime contractor projects will be awarded to MBEs over the period of the project.

- (d) Approval or Disapproval of MBE Plan.
- (i) The Director or his designee will review and approve plans that reasonably ensure compliance with the ten percent (10%) requirement.
 - (ii) Where the prime contractor has proved that for reasons beyond the prime contractor's control, compliance with the ten percent (10%) requirement is impossible, the Director or his designee may approve a plan that ensures compliance with an MBE utilization rate of less than ten percent (10%). To prove impossibility of compliance, there shall be a hearing, which interested parties will be notified of and permitted to attend, during which the contractor shall demonstrate the following:
 - (1) The prime contractor is making all appropriate efforts, including those listed in paragraph 9(d) of these regulations, to increase MBE participation in its construction project to the ten percent (10%) level.
 - (2) Despite the prime contractor's efforts, the prime contractor's plan represents a reasonable expectation for the participation of MBEs in state contracts given the availability of MBEs to work on the contract.
 - (iii) If the Director or his designee does not approve the plan the prime contractor has submitted, the prime contractor, after consulting with the Director or his designee, shall present a revised plan.
 - (iv) The Director may condition the approval or establishment of any adjusted requirement on any reasonable future action by the prime contractor.
 - (v) Each prime contract covered under these regulations shall include the following: "The contractor agrees to ensure that minority business enterprises as defined in R.I. Gen. Laws Section 37-14.1-3, shall have the maximum opportunity to participate in the performance of subcontracts performed under this agreement. The contractor will take all reasonable steps in accordance with regulations promulgated under Chapter 37-14.1 of the Rhode Island General Laws to ensure that minority business enterprises have the maximum opportunity to compete for and perform subcontracts under this agreement."
- (e) Compliance.
- (i) Each MBE coordinator will periodically conduct on-site inspections to determine compliance with the provisions of these regulations. The Division of Purchasing, the Director or the MBE Coordinator may require a prime contractor to furnish copies of purchase orders, subcontracts, canceled checks, and other records that may indicate the number, names, dollar value of MBE subcontracts, dates, and schedule time for performance of work by an MBE subcontractor.
 - (ii) A prime contractor's failure to have an approved MBE Compliance Plan as required by these regulations constitutes noncompliance with these regulations.
 - (iii) If a prime contractor fails to meet the requirements outlined in its approved MBE Compliance Plan, it shall explain to the Director, in writing, why the requirements could not be met and why meeting the requirements was beyond the prime contractor's control.
 - (iv) To determine whether a prime contractor has a good faith reason for failing to meet its requirements, the Director may consider, among other factors:
 - (1) Whether the prime contractor attended any pre-solicitation or pre-bid meetings that were scheduled by the state contracting authority to inform MBEs of contracting or subcontracting opportunities;
 - (2) Whether the prime contractor advertised in general circulation, trade association, and minority focus media concerning the subcontracting opportunities;

- (3) Whether the prime contractor provided written notice to a reasonable number of specific MBEs that their interest in a contract was being solicited, in sufficient time to allow the MBEs to participate effectively;
 - (4) Whether the prime contractor followed up initial solicitations of interest by contacting MBEs to determine with certainty whether the MBEs were interested;
 - (5) Whether the prime contractor selected portions of work to be performed by MBEs in order to increase the likelihood of meeting MBE participation requirements (including, where appropriate, breaking down contracts into economically feasible units to facilitate MBE participation);
 - (6) Whether the prime contractor provided interested MBEs with adequate information about the plans, specifications and requirements of the contract;
 - (7) Whether the prime contractor negotiated in good faith with interested MBEs;
 - (8) Whether the prime contractor made suggestions to interested MBEs to assist them in obtaining bonding, lines of credit, or insurance required by the prime contractor;
 - (9) Whether the prime contractor effectively used the services of available minority community organizations, minority contractor's groups, local, state and Federal minority business assistance offices and other organizations that provide assistance in the recruitment and placement of MBEs.
- (v) If the prime contractor does not make such an explanation, or if the Director determines that the prime contractor's explanation does not justify its failure to meet the requirements in its approved MBE Plan, the Director may direct the prime contractor to take appropriate remedial action. Failure to take remedial action directed by the Director is noncompliance with these regulations.
 - (vi) In the event of non-compliance with these regulations, the Director may take appropriate enforcement action. Such action may include suspension of payments, termination of the contract, recovery by the state of 10% of the contract price as liquidated damages and/or denial of the right to participate in future projects for up to three (3) years.

6. Procurement Contracts for Goods and Services

The Division of Purchasing shall structure its procedures for procuring goods and services to achieve the objective that a minimum of ten percent (10%) of the total dollar value of these procurements are made directly or indirectly from MBEs.

7. Outreach

- (a) Departments and the Division of Purchasing shall periodically conduct meetings with Minority Business Enterprises, as appropriate, to advise of procurement opportunities within the department or division.
- (b) Departments and the Division of Purchasing shall use MBE newspapers as part of their regular advertising.

8. Reporting

The Division of Purchasing shall submit a quarterly report to the Director of the following:

- (a) The total number and value of procurements from MBEs for construction contracts.
- (b) The total number and value of procurements from MBEs for goods and services.
- (c) Outreach efforts made by the Division during the previous quarter.
- (d) An evaluation by the Division of the success of its MBE program.

TITLE 37

CHAPTER 16 PUBLIC WORKS ARBITRATION

Sections

37-16-1.	Short Title.
37-16-2.	Contract provisions for arbitration.
37-16-3.	Application for subcontracts.
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37-16-5.	Jurisdiction of superior court to enforce arbitration provisions and awards.
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37-16-1. Short title.

This chapter shall be known as the "Public Works Arbitration Act".

37-16-2. Contract provision for arbitration.

- (a) A provision in a written contract executed on or after January 1, 1962, for the construction, alteration, repair, or painting of any public building, sewer, highway, bridge, water treatment or disposal projects one party to which is the state, a city, a town, or an authority, a board, a public corporation, or any similar body created by statute or ordinance or any committee, agency, or subdivision of any of them, to settle by arbitration any dispute or claim arising out of or concerning the performance or interpretation of the contract shall be valid, irrevocable, and enforceable, save upon grounds existing in law or equity for the revocation of the contract.
- (b) Every contract for the construction, alteration, repair or painting or demolition of any public building, sewer, water treatment or disposal project, highway, or bridge one party to which is the state, a city, a town, or an authority, a board, a public corporation, or any similar body created by statute or ordinance or any committee, agency, or subdivision of any of them which has a contract price of ten thousand dollars (\$10,000) or more and which is executed on or after July 1, 1967, out of, or concerning the performance or interpretation of, the contract as follows:

"All claims, disputes, and other matters in question arising out of or relating to this contract or the

performance or interpretation thereof shall be submitted to arbitration. Arbitration shall be commenced by a demand in writing made by one party to the contract upon the other within a reasonable time after the dispute, claim, or other matter in question arose but in no event after payment in full of the contract price has been made and accepted. The written demand shall contain a statement of the question to be arbitrated and a detailed statement of each item or matter in dispute and the name of the arbitrator appointed by that party. The other party to the contract within ten (10) days of the receipt of the written demand shall appoint an arbitrator and given notice in writing thereof to the party who commenced arbitration. The two (2) arbitrators appointed by the parties shall within ten (10) days of the date of the appointment of the second arbitrator select a third arbitrator who shall be designated as chairperson and who immediately shall give written notice to the parties of his or her appointment. The third arbitrator shall select a time, date and place for hearing and give each party five (5) days notice in writing thereof. The date for hearing shall not be more than fifteen (15) days after the date of appointment of the third arbitrator. The arbitrators shall render their award in writing to each of the parties not more than thirty (30) days after the date hearing shall commence unless the parties shall otherwise agree in writing. In the event the party of whom arbitration is demanded shall fail to appoint his or her arbitrator within the time specified or the two (2) arbitrators appointed by the parties are unable to agree on an appointment of the third arbitrator within the time specified, either party may petition the presiding justice of the superior court to appoint a single arbitrator who shall hear the parties and make an award as provided herein. The petitioner shall give five (5) days notice in writing to the other party before filing his or her petition."

As this section applies to highways and bridges, arbitration of claims below the sum of one hundred thousand dollars (\$100,000) shall be mandatory and arbitration of claims for one hundred thousand dollars (\$100,000) or more shall be undertaken only with the consent of all parties to the arbitration and in the event all the parties do not consent then any claim against the state shall proceed as set forth in 37-13.1-1.

For the purposes of this section the term "claims" shall not mean the aggregate amount sought under the contract or in the arbitration, but shall refer specifically to each item or matter in dispute for which additional compensation is sought or for each item for which a credit is sought.

(c) Notwithstanding subsection (a) or (b) of this section, if any contract except for highway and bridge contracts provides for an arbitration procedure, and a method of appointment of an arbitrator or arbitrators, that method shall be followed instead of the method provided in subsection (b) of this section.

(d) This section shall apply to all written contracts executed on or after January 1, 1986.

(Amended 1995, ch. 116, sec. 1.)

37-16-3. Application to subcontracts.

When a contract described in 37-16-2 is in effect and any party thereto has entered into a subcontract to perform part of the work and/or furnish any materials in connection with the work described in the contract and the terms of the subcontract provide for arbitration of a dispute or claim concerning the performance or interpretation thereof, or the subcontract, expressly or by reference to the terms of the contract, provides that the parties to the subcontract shall comply with the arbitration provisions of the contract, the following shall apply when a request is made or an order of court is entered for arbitration either under the terms of the contract or subcontract.

(a) When arbitration under the contract may adversely affect the interest of a party thereto because of the effect of an award of the arbitrator or arbitrators upon the performance or interpretation of the terms of a subcontract to which he or she is also a party, he or she may require any other party or all other parties to the subcontract to become a party or parties to the arbitration.

(b) When a party to a subcontract makes a demand or an order of court is entered for arbitration under the terms of the subcontract which comply with the provision of this chapter, any party thereto who is also a party to the contract and whose rights under the contract may be adversely affected by the effect of an

award of the arbitrator or arbitrators upon the performance or interpretation of the contract, may require any other party to the contract to become a party to the arbitration.

- (c) When a party to a contract or to a subcontract is made a party to arbitration by virtue of the provisions of this section, he or she shall have all the rights of a party to arbitration as provided in this chapter except the appointment of an arbitrator. Provided, however, he or she may object to the arbitrators appointed by the parties in which event a single arbitrator shall be appointed as provided in 37-16-2 in the petition of either of the original parties to arbitration. The award of the arbitrator or arbitrators shall be valid and shall be binding on him or her to the extent that it affects the performance or interpretation of the contract and/or subcontract to which he or she is a party. The award of the arbitrator or arbitrators may be enforced, modified, or vacated as this chapter provides an award made in an arbitration of a contract described in 37-16-2 may be enforced, modified, or vacated.

37-16-4. Stay of legal proceedings pending arbitration.

If any suit or proceedings be brought upon any issue referable to arbitration under contract in writing providing for such arbitration, the court in which the suit is pending upon being satisfied that the issue involved in the suit or proceedings is referable to arbitration under the contract, shall on application of one of the parties, stay the trial of the action until arbitration has been held.

37-16-5. Jurisdiction of superior court to enforce arbitration provision and awards.

The entering into a contract in writing providing for arbitration shall be deemed a consent of all parties, including those enumerated in 37-16-2, thereto to the jurisdiction of the superior court of this state to enforce the arbitration provision and any award made pursuant to that provision. A party aggrieved by the failure, neglect, or refusal of another to perform under a contract providing for arbitration, may petition the superior court, or a judge thereof, for an order directing that arbitration proceed in the manner provided for in the contract. Five (5) days' notice in writing of the application shall be served upon the part in default. Service thereof shall be made in the manner specified in the contract, and if no manner specified therein, then in the manner provided by law for personal service of a summons, within or without the state, or substituted service of a summons, or upon satisfactory proof that the party aggrieved has been or will be unable with due diligence to make service in any of the foregoing manners, then notice shall be served in such manner as the court or judge may direct. A judge of the superior court shall hear the parties and upon being satisfied that there is no substantial issue as to the making of the contract or the failure to comply therewith, the court, or the judge thereof, hearing the application, shall make an order directing the parties to proceed to arbitration in accordance with the terms of the contract.

37-16-6. Trial upon evidence of substantial issue.

If evidentiary facts be set forth raising a substantial issue as to the making of the contract or the failure to comply therewith, the court, or the judge thereof, shall proceed immediately to the trial thereof. Whenever an immediate trial is ordered the order therefor shall provide that, if the court finds that a written contract providing for arbitration was made, and that there was a failure to comply therewith, the parties shall proceed with the arbitration in accordance with the terms of the contract and the order shall provide that if the court finds that there was no such contract or failure to comply therewith, then the proceeding shall be dismissed.

37-16-7. Method of appointing arbitrators.

If in the contract providing for arbitration, provision is made for a method of naming or appointing an arbitrator or arbitrators or an umpire, that method shall be followed, but if no method be provided therein, then the parties to the contract shall agree to the method of naming or appointing an arbitrator or arbitrators or an umpire and if the parties shall fail to agree, then the court or the judge thereof upon application of either of the parties after due notice to the other party shall appoint an arbitrator to hear the dispute.

37-16-8. Scheduling and notice of arbitration hearing - Adjournment.

Subject to the terms of the contract, if any are specified therein, the arbitrators selected as prescribed in this chapter must appoint a time and place for the hearing of the matters submitted to them, and must cause notice thereof to be given to each of the parties. They, or a majority of them, may adjourn the hearing from time to time upon the application of either party for good cause shown or upon their own motion, but not beyond the day fixed if a date in the contract, if any, for rendering their award, unless the time so fixed is extended by the written consent of the parties to the contract or their attorney, or the parties have continued with the arbitration without objection to such adjournment.

37-16-9. Power of court to direct prompt hearing.

The court shall have power to direct the arbitrators to proceed promptly with the hearing and determination of the dispute, claim, or matter in question.

37-16-10. Arbitrator's oath - Waiver.

Before hearing any testimony, arbitrators selected as prescribed in this chapter must be sworn, by an officer authorized by law to administer an oath, faithfully and fairly to hear and examine the claim, dispute, or matter in question and to make a just award according to the best of their understanding, unless the oath is waived by the written consent of the parties to the contract or their attorneys or the parties have continued with the arbitration without objection to the failure of the arbitrators to take the oath.

37-16-11. Powers of arbitrators.

The arbitrator or arbitrators selected as prescribed in this chapter, may require any person to attend before them as a witness; and he or she and they have, and each of them has, the same powers with respect to all the proceedings before them which are conferred upon a board or a member of a board authorized by law to hear testimony. All the arbitrators selected as prescribed in this chapter must meet together and hear all the allegations and proofs of the parties; but an award by a majority of them is valid.

37-16-12. Fees.

In any proceeding under this chapter, unless the parties agree as to the arbitrator's or arbitrators' fees, such fees shall be fixed by the court or the judges thereof who shall require the payment equally by both parties of the arbitrators' fees.

37-16-13. Validity of awards.

An award shall be valid and enforceable according to its terms and under the provisions of this chapter, without previous adjudication of the existence of a contract to arbitrate, subject, nevertheless, to the provisions of this section:

- (a) A party who has participated in any of the proceedings before the arbitrator or arbitrators may object to the confirmation of the award only on one or more of the grounds hereinafter specified (provided that he did not continue with the arbitration with notice of the facts or defects upon which his objection is based) because of a failure to comply with 37-16-8 or with 37-16-10 or because of the improper manner of the selection of the arbitrators.

- (b) A party who has not participated in any of the proceedings had before the arbitrator or arbitrators and who has not made or been served with an application to compel arbitration under 37-16-5 may also put in issue the making of the contract or the failure to comply therewith, either by a motion for a stay of the arbitration or in opposition to the confirmation of the award. If a notice shall have been personally served upon such party of an intention to conduct the arbitration pursuant to the provisions of a contract specified in the notice, then the issues specified in this subdivision may be raised only by a motion for a stay of the arbitration, notice of which motion must be served within ten (10) days after the service of the notice of intention to arbitrate. The notice must state in substance that unless within ten (10) days after its service, the party served therewith shall serve a notice of motion to stay the arbitration, he shall thereafter be barred from putting in issue the making of the contract or the failure to comply therewith. The arbitration hearing shall be adjourned upon service of the notice pending the determination of the motion. Where the opposing party, either on a motion for a stay or in opposition to the confirmation of an award, sets forth evidentiary facts raising a substantial issue as to the making of the contract or the failure to comply therewith, an immediate trial of the same shall be had. In the event that the party is unsuccessful he or she may, nevertheless, participate in the arbitration if the same is still being carried on.

37-16-14. Arbitration under chapter deemed special proceeding - Jurisdiction of superior court.

Arbitration of a claim, dispute, or matter in question under a contract described in this chapter shall be deemed a special proceeding, of which the superior court for Providence County shall have jurisdiction.

37-16-15. Procedure for hearing of application to court.

Any application to the court, or a judge thereof, hereunder shall be made and heard in the manner provided by law for the making and hearing of motions, except as otherwise herein expressly provided.

37-16-16. Form of award.

To entitle the award to be enforced, as prescribed in this chapter, it must be in writing; and, within the time limited in the contract, if any; subscribed by the arbitrator or arbitrators making it; and either filed in the office of the clerk of the court having jurisdiction as provided in 37-16-14 or delivered to one of the parties or his or her attorney.

37-16-17. Court order confirming award.

At any time within one year after the award is made, as prescribed in 37-16-16, any party to the contract by the terms of which arbitration was had, may apply to the court having jurisdiction as provided in 37-16-14 for an order confirming the award; and thereupon the court must grant the order unless the award is vacated, modified, or corrected, as prescribed in 37-16-18 and 37-16-19 or unless the award is unenforceable under the provisions of 37-16-13. Notice of the motion must be served upon the adverse party or parties or his or her or their attorneys, as prescribed by law for service of notice of a motion upon an attorney in an action in the same court.

37-16-18. Court order vacating award.

In any of the following cases, the court must make an order vacating the award, upon the application of any party to the controversy which was arbitrated

- (a) When the award was procured by fraud.
- (b) Where the arbitrator or arbitrators exceeded their powers, or so imperfectly executed them, that a mutual, final, and definite award upon the subject matter submitted was not made.
- (c) If there was no valid contract, and the objection has been raised under the conditions set forth in 37-16-13.

37-16-19. Rehearing after vacation of award.

Where an award is vacated, the court, in its discretion may direct a rehearing either before the same arbitrator or arbitrators or before a new arbitrator or arbitrators to be chosen in the manner provided in the contract for the selection of the original arbitrator or arbitrators or as provided for in 37-16-7, and any provision limiting the time in which the arbitrator or arbitrators may make a decision shall be deemed applicable to the new arbitration and to commence from the date of the court's order.

37-16-20. Court order modifying or correcting award.

In any of the following cases, the court must make an order modifying or correcting the award, upon the application of any party to the contract by the terms of which the arbitration was held.

- (a) Where there was an evident miscalculation of figures or an evident mistake in the description of any persons, thing, or property referred to in the award.
- (b) Where the arbitrator or arbitrators have awarded upon a matter not submitted to them, not affecting the merits of the decision upon the matter submitted.
- (c) Where the award is imperfect in a matter of form not affecting the merits of the controversy, and, if it had been a master's report the defect could have been amended or disregarded by the court.

37-16-21. Notice of motion to vacate, modify, or correct an award.

Notice of a motion to vacate, modify, or correct an award must be served upon all adverse parties, or their attorneys, within sixty (60) days after the award is filed or delivered, as prescribed by law for service of notice of a motion upon an attorney in an action; except that in opposition to a motion to confirm an award, any of the grounds specified in 37-16-18 may be set up. For the purpose of the motion, any judge who might make an order, to stay the proceedings in an action brought in the same court may make an order, to be served with the notice of motion, staying the proceedings of an adverse party or parties to enforce the award.

37-16-22. Entry of judgment - Costs.

Upon the granting of an order confirming, modifying, or correcting an award, judgment may be entered in conformity therewith, except as is otherwise prescribed in this chapter. Costs of the application and of the proceedings subsequent thereto, not exceeding twenty-five dollars (\$25.00) and disbursements, may be awarded by the court in its discretion. If awarded, the amount thereof must be included in the judgment.

37-16-23. Filing of papers after judgment.

- (a) Immediately after entering judgment, the clerk must attach together and file the following papers:
 - (1) The contract, and each written extension of the time, if any, within which to make the award.
 - (2) The award.
 - (3) Each notice, affidavit or other paper used upon an application to confirm, modify, or correct the award, and a copy of each order of the court upon the application.
 - (4) A copy of the judgment.
- (b) The judgment may be docketed as if it was rendered in an action.

37-16-24. Effect of judgment.

The judgment so entered has the same force and effect, in all respects as, and is subject to all the provisions of law relating to a judgment in an action; and it may be enforced as if it had been rendered in an action in the court in which it is entered.

37-16-25. Appeals.

An appeal may be taken from an order made in a proceeding under this chapter, or from a judgment entered upon an award. The proceedings upon the appeal, including the judgment thereupon and the enforcement of the judgment are governed by the provisions of statute and rule regulating appeal in actions as far as they are applicable.

37-16-26. Satisfaction of award.

- (a) An award which requires the payment of a sum of money by a city, town, or the state or any body described in 37-16-2 created or organized by or through the authority of any of them, shall be satisfied to the extent of payment of that sum by payment thereof to the party to whom the award was made by the treasurer or officer exercising the duties of a treasurer thereof from its general funds.
- (b) An award which requires the payment of a sum of money to a city, a town, or the state or any body described in 37-16-2 created or organized by or through the authority of any of them shall be satisfied to the extent of payment of that sum by payment thereof to its treasurer or officer exercising the duties of a treasurer thereof who shall deposit the same in its general funds.

37-16-27. Application to sureties.

- (a) If a contractor principal on a bond furnished to guarantee performance or payment on a construction contract and the claimant are parties to a written contract with a provision to submit to arbitration any controversy thereafter arising under the contract, or subject to arbitration as provided in 37-16-2(b), the arbitration provisions shall apply to the surety for all disputes involving questions of the claimant's right of recovery against the surety. Either the claimant, the contractor principal, or surety may demand arbitration in accordance with the written contract or as provided in 37-16-2(b) if applicable in one arbitration proceeding, provided that the provisions of 37-16-3 shall be applicable to any such demand for arbitration. The arbitration award shall decide all controversies subject to arbitration between the claimant, on the one hand, and the contractor principal and surety on the other hand, including all questions involving liability of the contractor principal and surety on the bond, but a claimant must file suit for recovery against the surety within the time limits set forth in 37-12-2 and 37-12-5. The arbitration shall be in accordance with this chapter and the court shall enter judgment thereon as provided therein.
- (b) The arbitrator or arbitrators, if more than one, shall make findings of fact as to the compliance with the requirements for recovery against the surety, and those findings of fact shall be a part of the award binding on all parties to the arbitration.

TITLE 45

CHAPTER 55 AWARD OF MUNICIPAL CONTRACTS

45-55-1. Legislative findings. It is hereby declared that a need exists to establish a uniform system for the award of contracts by municipalities, utilizing open cooperative bids.

45-55-2. Method of source selection.

Except as otherwise authorized by law, all municipal contracts shall be awarded by:

- (1) Competitive sealed bidding, pursuant to 45-55-5;
- (2) Competitive negotiations, pursuant to 45-55-6;
- (3) Non-competitive negotiations, pursuant to 45-55-7 and 45-55-8;
- (4) Small purchase procedures, pursuant to 45-55-9.

45-55-3. Purchasing agent - Appointment - Duties.

Within each city or town or quasi public agency there shall be designated a person or persons to act as purchasing officer so as to exercise the powers and duties as set forth in this chapter.

45-55-4. Definitions.

The words defined in this section shall have the meanings set forth below whenever they appear in this chapter, unless the context in which they are used clearly requires a different meaning or a different definition is prescribed for a particular section, group of sections or provision.

- (1) "Business" shall mean any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other legal entity through which business is conducted.
- (2) "Change order" shall mean a written order signed by the purchasing agent, or contractor directing or allowing the contractor to make changes which the changes clause of the contract authorizes the purchasing agent or contractor to order without the consent of the contractor or purchasing agent.
- (3) "Purchasing officer" shall mean the person designated in each municipality or quasi public agency pursuant to 45-55-3.
- (4) "Construction" shall mean the process of building, altering, repairing, improving, or demolishing any public structures or building, or other public improvements of any kind to any public real property. It does not include the routine maintenance or repair of existing structures, buildings, or real property performed by salaried employees of the municipality in the usual course of their job.
- (5) "Contract" shall mean all types of agreements, including grants and orders, for the purchase or disposal of supplies, services, construction, or any other item. It shall include awards; contracts of a fixed-price, cost, cost-plus-a-fixed-fee, or incentive type; contracts providing for the issuance of job or task orders; leases; letter contracts, purchase orders, and construction management contracts. It also includes supplemental agreements with respect to any of the foregoing. "Contract" does not include labor contracts with employees of the municipality.
- (6) "Contract modification" shall mean any written alteration in the specifications, delivery point, rate of delivery, contract period, price, quantity, or other contract provisions of any existing contract, whether accomplished by unilateral action in accordance with a contract provision, or by mutual action of the parties to the contract. It shall include bilateral actions, such as supplemental agreements, and unilateral actions, such as change orders, administrative changes, notices of termination, and notices of the exercise of a contract option.
- (7) "Contractor" shall mean any person having a contract with a municipality.
- (8) "Data" shall mean recorded information, regardless of form or characteristic.

- (9) "Designee" shall mean a duly authorized representative of a person holding a superior position.
- (10) "Employee" shall mean an individual drawing a salary from a municipality, whether elected or not, and any nonsalaried individual performing personal services for any municipality.
- (11) "Municipality" shall mean the individual cities and towns of the state of Rhode Island.
- (12) "May" shall mean permissive.
- (13) "Negotiation" shall mean contracting by either of the methods set forth in 45-55-6, 45-55-7, and 45-55-8 of this chapter.
- (14) "Person" shall mean any business, individual, organization, or group of individuals.
- (15) "Procurement" shall mean the purchasing, buying, renting, leasing, or otherwise obtaining of any supplies, services, or construction. It shall also include all functions that pertain to the obtaining of any supply, service, or construction item, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.
- (16) "Regulations" shall mean rules and regulations adopted by the individual cities or towns, concerning the implementation of the provisions of this chapter.
- (17) "Services" shall mean the rendering, by a contractor, of its time and effort rather than the furnishing of a specific end product, other than reports which are merely incidental to the required performance of services. "Services" does not include labor contracts with employees of governmental agencies.
- (18) "Shall" shall mean imperative.
- (19) "Supplemental agreement" shall mean any contract modification which is accomplished by the mutual action of the parties.
- (20) "Supplies" shall mean all property, including but not limited to leases of real property, printing and insurance, except land or permanent interest in land.

45-55-5. Competitive sealed bidding.

- (1) Contracts exceeding the amount provided by 45-55-9 shall be awarded by competitive bidding unless it is determined in writing that this method is not practicable. Factors to be considered in determining whether competitive sealed bidding is practicable shall include whether:
 - (a) Specifications can be prepared that permit award on the basis of either the lowest qualified bid price or the lowest qualified evaluated bid price; and
 - (b) The available sources, the time and place of performance, and other relevant circumstances as are appropriate for the use of competitive sealed bidding.
- (2) The invitation for bids shall state whether award shall be made on the basis of the lowest bid price or the lowest evaluated or responsive bid price. If the latter basis is used, the objective measurable criteria to be utilized shall be set forth in the invitation for bids, if available.

- (3) Adequate public notice of the invitation for bids shall be given a sufficient time prior to the date set forth therein for the opening of bids. Such notice may include publication in a newspaper of general circulation in the state as determined by the purchasing officer for the municipality not less than seven (7) days nor more than twenty-one (21) days before the date set for opening of the bids. The purchasing officer may make a written determination that the twenty-one (21) day limitation needs to be waived. The written determination shall state the reason why the twenty-one (21) day limitation is being waived and shall state the number of days, giving a minimum and maximum, before the date set for the opening of bids when public notice is to be given.
- (4) Bids shall be opened publicly in full view of the public at the time and place designated in the invitation for bids. Each bid, together with the name of the bidder, shall be recorded and an abstract made: available for public inspection. Subsequent to the awarding of the bid, all documents pertinent to the awarding of the bid shall be made available and open to public inspection and retained in the bid file.
- (5) The contract shall be awarded with reasonable promptness by written notice to the responsive and responsible bidder whose bid is either the lowest bid price, or lowest evaluated or responsive bid price.
- (6) Correction or withdrawal of bids may be allowed only to the extent permitted by regulations issued by the purchasing officer.

45-55-5.1. Business exempt.

The North Kingstown Bus Contractors Association and the Scituate School Bus Owners Club shall be exempt from the provisions of this chapter.

45-55-5.2. Town of North Smithfield - Exemption.

The town of North Smithfield shall be exempt from the provisions of this chapter with regard to the contracting for fire and rescue services with the Primrose Volunteer Fire Department and North Smithfield Volunteer Fire Department.

45-55-6. Competitive negotiation.

- (1) When, under regulations adopted by the city or town council, the purchasing agent determines in writing that the use of competitive sealed bidding is not practicable, and except as provided in 45-55-8 and 45-55-9, a contract may be awarded by competitive negotiation.
- (2) Adequate public notice of the request for proposals shall be given in the same manner as provided in 45-55-5(3).
- (3) Contracts may be competitively negotiated when it is determined in writing by the purchasing agent that the bid prices received by competitive sealed bidding either are unreasonable as to all or part of the requirements, or were not independently reached in open competition, and for which:
 - (a) Each competitive bidder has been notified of the intention to negotiate and is given reasonable opportunity to negotiate; and
 - (b) The negotiated price is lower than the lowest rejected bid by any competitive bidder; and
 - (c) The negotiated price is the lowest negotiated price offered by a competitive offeror.
- (4) The request for proposals shall indicate the relative importance of price and other evaluation factors.
- (5) Award shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the municipality taking into consideration price and the evaluation factors set forth in the request for proposals.

- (6) Written or oral discussions shall be conducted with all responsible offerors who submit proposals determined in writing to be reasonably susceptible of being selected for award. Discussions shall not disclose any information derived from proposals submitted by competing offerors. Discussions need not be conducted:
- (a) With respect to prices, where such prices are fixed by law or regulation, except that consideration shall be given to competitive terms and conditions; or
 - (b) Where time of delivery or performance will not permit discussions; or
 - (c) Where it can be clearly demonstrated and documented from the existence of adequate competition or accurate prior cost experience with the particular supply, service, or construction item, that acceptance of an initial offer without discussion would result in fair and reasonable prices, and the request for proposals notifies all offerors of the possibility that award may be made on the basis of the initial offers.

45-55-7. Negotiations after unsuccessful competitive sealed bidding.

- (1) In the event that all bids submitted pursuant to competitive sealed bidding under 45-55-5 result in bid prices in excess of the funds available for the purchase, and the purchasing officer determines in writing:
- (a) That there are no additional funds available from any source so as to permit an award to the lowest responsive and responsible bidder, and
 - (b) The best interest of the municipality will not permit the delay attendant to a resolicitation under revised specifications, or for revised quantities, under competitive sealed bidding as provided in 45-55-5, then a negotiated award may be made as set forth in subsection (2) or (3) of this section.
- (2) Where there is more than one bidder, competitive negotiations pursuant to 45-55-6, shall be conducted with the three (3) (two (2) if there are only two (2)) bidders determined in writing to be the lowest responsive and responsible bidders to the competitive sealed bid invitation. Such competitive negotiations shall be conducted under the following restrictions:
- (a) If discussions pertaining to the revision of the specifications or quantities are held with any potential offeror, all other potential offerors shall be afforded an opportunity to take part in such discussions; or
 - (b) A request for proposals, based upon revised specifications or quantities, shall be issued as promptly as possible, shall provide for an expeditious response to the revised requirements, and shall be awarded upon the basis of the lowest bid price, or lowest evaluated bid price submitted by any responsive and responsible offeror.
- (3) When after competitive sealed bidding, it is determined in writing that there is only one responsive and responsible bidder, a noncompetitive negotiated award may be made with such bidder in accordance with 45-55-8.

45-55-8. Sole source procurement and emergency procurements.

- (a) A contract may be awarded for a supply, service, or construction item without competition when, under published regulations, the purchasing officer determines, in writing, that there is only one source for the required supply, service, or construction item.

- (b) Notwithstanding any other provision of this chapter, the purchasing agent may make or authorize others to make emergency procurements when there exists a threat to public health, welfare, or safety under emergency conditions as defined in regulations or where the procurement will be in the best interest of the city as established by properly promulgated rules and regulations; provided, that such emergency procurements shall be made with such competition as is practicable under the circumstances. A written determination of the basis for the emergency, and for the selection of the particular contractor, shall be included in the contract file.

45-55-9. Small purchases.

Procurements, not to exceed an aggregate amount of ten thousand dollars (\$10,000) for construction and five thousand dollars (\$5,000) for all other purchases may be made in accordance with small purchase regulations promulgated by the municipality. These amounts shall be increased or decreased annually hereafter at the same rate as the Boston Regional Consumer Price Index. Procurement requirements shall not be artificially divided so as to constitute a small purchase under this section. A municipality may further reduce the aggregate purchase amount, as provided for in this section by ordinance.

45-55-10. Cancellation of invitation for bids and requests for proposals.

An invitation for bids, a request for proposals, or other solicitation may be canceled, or all bids or proposals may be rejected, if it is determined, in writing, that such action if taken is not in the best interest of the municipality and approved by the chief purchasing officer.

45-55-11. Responsibilities of bidders and offerors.

- (1) A written determination of responsibility of a bidder or offeror shall be made and it shall be made in accordance with regulations issued by the municipality.

A reasonable inquiry to determine the responsibility of a bidder or offeror may be conducted. The failure of a bidder or offeror to promptly supply information in connection with such an inquiry may be grounds for a determination of nonresponsibility with respect to such a bidder or offeror.

- (2) Except as otherwise provided, by law, information furnished by a bidder or offeror pursuant to this section may not be disclosed outside of the purchasing department administering the contract without prior written consent of the bidder or offeror.

45-55-12. Prequalification of contractors - General. The municipality may provide for prequalification of suppliers as responsible prospective contractors for particular types of supplies, services, and construction. Municipalities which choose to provide for prequalification of suppliers shall adopt regulations for prequalification in the same manner provided for in the adoption of ordinances in the manner provided for in the legislative or home rule charter of the municipality. Solicitation mailing lists of potential contractors of such supplies, services, and construction shall include but need not be limited to such prequalified contractors. Prequalification shall not foreclose a written determination:

- (1) Between the time of the bid opening or receipt of offers and the making of an award, that a prequalified supplier is not responsible; or
- (2) That a supplier who is not prequalified at the time of bid opening or receipt of offers is responsible.

45-55-13. Exclusion of state mandated costs.

The provisions of 45-13-7 through 45-13-10 inclusive shall not apply to this section.

45-55-13.1. Exclusion of multi-cities or towns insurance corporations and cooperative risk management programs.

The provisions of this chapter shall not apply to entities organized pursuant to section 45-5-20.1. Said entities shall be exempt from all of the provisions of chapter 45-55. (

45-55-14. Staff consultants. The procurement of the service of an attorney, physician or dentist by a municipality, shall be exempt from the provisions of this chapter.

45-55-15. Severability.

If any one (1) or more sections, clauses, sentences or parts of this chapter shall for any reason be adjudged unconstitutional or otherwise invalid in any court, that judgment shall not affect, impair or invalidate the remaining provisions thereof but shall be confined in its operation to the specific provisions so held unconstitutional or invalid and the inapplicability or invalidity of any section, clause or provisions of this chapter in any one (1) or more instances or circumstances shall not be taken to affect or prejudice in any way its applicability or validity in any other instance.

45-55-16. Prohibition against the use of lead based paints.

When purchasing paint products or contracting or subcontracting for painting, construction, improvement, completion, or repair of any public buildings, any public road, any public bridge, or any public construction, all municipalities, as defined by 45-55-4(11), shall be prohibited from the use of lead based paint.

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